



4001-01-U

DEPARTMENT OF EDUCATION

34 CFR Part 685

RIN 1840-AC94

[Docket ID ED-2008-OPE-0009]

William D. Ford Federal Direct Loan Program

AGENCY: Department of Education.

ACTION: Final regulations; correction.

SUMMARY: On October 23, 2008, the Department of Education amended the regulations for the Federal Perkins Loan (Perkins Loan) Program; the Federal Family Education Loan (FFEL) Program; and the William D. Ford Federal Direct Loan (Direct Loan) Program, including the Public Service Loan Forgiveness (PSLF) Program offered within the Direct Loan Program. This document makes corrections to the October 23, 2008, final regulations.

DATES: Effective [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Pamela Moran, U.S. Department of Education, 1990 K Street, NW., room 8023, Washington, DC 20006-8502. Telephone: (202) 502-7732. Email: Pamela.Moran@ed.gov.

If you use a telecommunications device for the deaf (TDD) or a text telephone (TTY), call the Federal Relay Service (FRS), toll free, at 1-800-877-8339.

Individuals with disabilities can obtain this document in an accessible format (e.g., braille, large print, audiotape, or compact disc) on request to the contact person listed in this section.

SUPPLEMENTARY INFORMATION:

Within the regulations issued on October 23, 2008, the Secretary included rules to implement the Public Service Loan Forgiveness benefit offered within the Direct Loan Program. 73 FR 63232. One of the matters addressed by those rules was the extent to which service for an organization engaged in religious activities qualifies a borrower for the loan forgiveness benefit. The Department's intent in regulating in this area was to be consistent with the treatment of such service in corresponding regulations for the FFEL Program (34 CFR 682.210(m)), the Perkins Loan Program (34 CFR 674.36(c)(4)), and the Department of Defense Program to Encourage Public and Community Service (32 CFR 77.3(a)). However, as a result of a drafting error, the Department omitted wording from paragraph (3) of the definition of "public service organization" in 34 CFR 685.219(b) that

would have corresponded with language in paragraph (5)(ii) of the definition and been consistent with language in the regulations for the FFEL, Perkins Loan, and Department of Defense programs. This language would have made clear that service for a non-profit organization that qualifies a borrower for the loan forgiveness benefit cannot be comprised of activities that are related to religious instruction, worship services, or any form of proselytizing. To correct the drafting error, the Department is publishing this technical correction to add the omitted language. This correction clarifies the intended meaning of the regulations. The Department also corrects a typographical error--the spelling of the word "health" under paragraph (5)(i) of the definition of "public service organization."

Electronic Access to This Document: The official version of this document is the document published in the Federal Register. Free Internet access to the official edition of the Federal Register and the Code of Federal Regulations is available via the Federal Digital System at: www.gpo.gov/fdsys. At this site you can view this document, as well as all other documents of this Department published in the Federal Register, in text or Adobe

Portable Document Format (PDF). To use PDF you must have Adobe Acrobat Reader, which is available free at the site.

You may also access documents of the Department published in the Federal Register by using the article search feature at: www.federalregister.gov. Specifically, through the advanced search feature at this site, you can limit your search to documents published by the Department.

List of subjects in 34 CFR Part 685

Administrative practice and procedure, Colleges and universities, Loan programs - education, Reporting and recordkeeping requirements, Student aid, Vocational education.

Dated: December 21, 2012

David Bergeron,
Acting Assistant Secretary
for Postsecondary Education.

Accordingly, 34 CFR part 685 is corrected as follows:

PART 685--WILLIAM D. FORD FEDERAL DIRECT LOAN PROGRAM

1. The authority citation for part 685 continues to read as follows:

AUTHORITY: 20 U.S.C. 1070g, 1087a, et seq., unless otherwise noted.

2. Section 685.219(b) is amended by:

A. In the definition of "public service organization," revising paragraph (3).

B. In paragraph (5)(i) of the definition of "public service organization," removing the word "heath" and adding, in its place, the word, "health".

The revision reads as follows:

§685.219 Public Service Loan Forgiveness Program.

* * * * *

(b) * * *

(3) A non-profit organization under section 501(c)(3) of the Internal Revenue Code that--

(i) Is exempt from taxation under section 501(a) of the Internal Revenue Code; and

(ii) Is not an organization engaged in religious activities, unless the qualifying activities are unrelated

to religious instruction, worship services, or any form of
proselytizing;

* * * * *

[FR Doc. 2012-31230 Filed 12/27/2012 at 8:45 am;

Publication Date: 12/28/2012]